MOTION FILED

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No. 02-289

In The
Supreme Court of the United States

R. BRENT JOHNSON, *ET. AL.*
Petitioners,

v.

I/O CONCEPTS, INC.
Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

MOTION FOR LEAVE TO FILE BRIEF AS *AMICI CURIAE* AND BRIEF OF DEFENDERS OF PROPERTY RIGHTS AND THE HONORABLE JAMES L. INHOFE AS *AMICI CURIAE* IN SUPPORT OF PETITIONERS

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MOTION FOR LEAVE TO FILE AS *AMICI CURIAE*

Pursuant to Rule 37.2(b) of the Rules of the Supreme Court of the United States, Defenders of Property Rights ("Defenders") and the Honorable James L. Inhofe, United States Senate ("Senator Inhofe"), request leave to file the accompanying *amici curiae* brief in support of the Petition for Writ of Certiorari. Petitioners R. Brent Johnson, Interface Design Group, Inc., and Secureagent.com, Inc. have consented to the filing of this brief; Respondent I/O Concepts, Inc. has not.

Defenders of Property Rights is a non-profit, public interest legal foundation dedicated to the preservation of constitutionally protected property rights. Defenders' mission is to protect those rights considered essential by the Framers of the Constitution and to promote the exercise of governmental power consistent with the constitutional limitations upon the exercise of that power. Defenders' goal

of the vigorous protection of intellectual and physical property rights recognizes the special role of federal courts in protecting those rights. Senator Inhofe has represented the State of Oklahoma since 1994 and strongly believes in the importance of intellectual property rights in maintaining a free and innovative society.

This case concerns an alleged violation of the right to trial by jury preserved by the Seventh Amendment in the context of patent litigation. Defenders and Senator Inhofe believe that curbing the Seventh Amendment right to jury for patent holders undercuts a fundamental constitutional right of intellectual property owners and frustrates the intent of the United States patent laws. Defenders and Senator Inhofe will provide additional information on these issues that will assist this Court in deciding if it should hear this case.

Accordingly, Defenders and Senator Inhofe respectfully move that this Court grant their motion to file the accompanying *amici curiae* brief in support of the Petition for Writ of Certiorari in this case.

Respectfully submitted,

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QUESTION PRESENTED

Amici curiae will address the following issue presented for review:

Does the Seventh Amendment require jury trials of the factual issue of enablement that was tried to juries when the Amendment was adopted?

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BRIEF IN SUPPORT OF PETITIONERS*

IDENTITY AND INTEREST OF *AMICI CURIAE*

Defenders of Property Rights is a non-profit, public interest legal foundation dedicated to the preservation of constitutionally protected property rights. Defenders' mission is to protect those rights considered essential by the Framers of the Constitution and to promote the exercise of governmental power consistent with the constitutional limitations upon the exercise of that power. Defenders' goal of the vigorous protection of property rights recognizes the special role of federal courts in protecting those rights. Since its founding in 1991, Defenders has participated in every significant property rights case in this Court including *Tahoe-Sierra Preservation Council, Inc. v. Tahoe Regional Planning Agency*, ___ U.S. ___, 122 S. Ct. 1465 (2002);

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* Counsel for a party did not author this brief in whole or in part. No person or entity, other than *Amici Curiae*, their members, or their counsel, made a monetary contribution to the preparation and submission of this brief.

Palazzolo v. Rhode Island, 533 U.S. 606 (2001); *City of Monterey v. Del Monte Dunes at Monterey, Ltd.*, 526 U.S. 687 (1999); *Phillips v. Washington Legal Found.*, 524 U.S. 156 (1998); *Suitum v. Tahoe Regional Planning Agency*, 520 U.S. 725 (1997); *Bennett v. Spear*, 520 U.S. 154 (1997); *Babbitt v. Sweet Home Chapter of Communities for a Great Oregon*, 515 U.S. 687 (1995); *Dolan v. City of Tigard*, 512 U.S. 374 (1994); *Keene Corp. v. United States*, 508 U.S. 200 (1993); and, *Lucas v. South Carolina Coastal Council*, 505 U.S. 1003 (1992). Defenders strongly believes that protection of intellectual property rights is important because such protection provides the necessary incentives for inventors to innovate.

The Honorable James L. Inhofe has represented the State of Oklahoma in the United States Senate since 1994. Senator Inhofe is a strong advocate of property rights, less government, and less regulation. Senator Inhofe strongly believes in the importance of intellectual property rights in maintaining a vibrant, innovative economy.

STATEMENT OF THE CASE

1. Petitioners own U.S. Patent No. 5,689,637 ("the '637 patent"), the validity of which was at issue in the courts below. *See* Petitioners' Brief at 2a, *I/O Concepts v. Johnson*, No. C00-0532C (W.D. Wash. June 1, 2001). To determine the validity of petitioners' patent required an intensely factual review of several questions. *See id.* The factual questions centered on the patent's validity and an infringement issue. *See id.* at 3-4a.

To determine the validity of petitioners' patent the fact finder was required to determine if the '886 application "enabled" the '637 patent. If the fact finder concluded that the '886 patent application enabled the '637 patent, then petitioners were entitled to a 1991 application date, rendering the '637 patent valid under 35 U.S.C. §102(b). To be "enabled," a patent application must include a "written description of the invention . . . in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains . . . to make and use the same ." 35 U.S.C.

§112(1).

2. The district court, however, refused to empanel a jury to try these factual issues, and instead took for itself the role of both judge and jury, deciding all factual questions. The district court did so because it treated the question of whether the enablement requirement was fulfilled as a question of law, relying on Federal Circuit precedent so holding. *See* Petitioners' Brief at 6a. The district court concluded that petitioners' patents was invalid and dismissed petitioners' claim for patent infringement. *See id.* at 15a.

3. The United States Courts of Appeals for the Federal Circuit summarily affirmed the district court's decision. *See I/O Concepts, Inc. v. Johnson*, No. 01-1410, 30 Fed. Appx. 982, 2002 U.S. App. LEXIS 5595 (Fed. Cir. Mar. 13, 2002). Petitioners' motions for rehearing and rehearing en banc were also denied. *See I/O Concepts, Inc. v. Johnson*, No. 01-1410, 2002 U.S. App. LEXIS 11821 (Fed. Cir. Apr. 23, 2002).

SUMMARY OF ARGUMENT

This case raises the novel issue of whether the Seventh Amendment's guarantee applies to the enablement issue, a factual issue arising in the context of patent validity disputes. An unreviewed line of decisions out of the U.S. Court of Appeals for the Federal Circuit, the only court with jurisdiction over such appeals, holds that the Seventh Amendment does not extend to these issues, treating them instead as questions of law. *See, e.g.*, *In re Wright*, 999 F.2d 1557, 1561 (Fed. Cir. 1993); *Amgen, Inc. v. Chugai Pharmaceutical Co.*, 927 F.2d 1200, 1212 (Fed. Cir. 1991), *cert. denied*, 502 U.S. 856 (1991); *Raytheon Co. v. Roper Corp.*, 724 F.2d 951, 960 n.6 (Fed. Cir. 1983). Ironically, the Federal Circuit itself on occasion has acknowledged that the enablement question involves factual questions: "[T]the ultimate legal conclusion of enablement rests on factual underpinnings." *Union Carbide Chemicals and Plastics Tech. Corp. v. Shell Oil Co.*, No. 02-1001, 2002 U.S. App. LEXIS 19647, at *64 (Fed. Cir. Sept. 20, 2002) (quoting *Bio-*

Tech. Gen. Corp. v. Genentech, Inc., 267 F.3d 1325, 1329 (Fed. Cir. 2001)).

In this case, which plainly intertwines two paramount constitutional rights, jury trial and intellectual private property, the Federal Circuit chose to rely on its precedent and sweep the constitutional issues under the summary affirmance carpet. The district court's decision likewise does not explain why it denied petitioners' request for a jury trial even though the enablement question is a heavily fact-dependent inquiry appropriate for jury determination.

Nor does it appear that either court could have justified its decision to deny petitioners their right to a jury trial. Under English common law at the time of the adoption of the Seventh Amendment, enablement claims were treated as questions of fact appropriate for jury resolution.[1] *See Arkwright v. Nightingale,* Dav. Pat. Cas. 37 (C. P. 1785).

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[1] "In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved . . ." U.S. CONST. amend. VII.

Moreover, there is no good policy reason for excluding enablement claims from Seventh Amendment protection. Judicial determination of the enablement question has yielded little uniformity in application. *Compare Northern Telecom, Inc. v. Datapoint Corp.*, 908 F.2d 931, 943 (Fed. Cir. 1990), *cert. denied*, 498 U.S. 920 (1990) (holding that minimal disclosure is needed to enable computer software patents) *with Amgen*, 927 F.2d 1200, 1212 (holding that there is a very strict disclosure standard to enable biotechnology patents).

Likewise, substituting a judge's judgment over that of a jury seems more often than not to frustrate the intent of the United States patent laws by giving the judges the opportunity to set industrial policy. Since enablement bears heavily on patent scope and validity, this disparate treatment of industries places the Federal Circuit in the unenviable position of chilling innovation in some industries and promoting it in others. Patent law, however, seeks to "promote the Progress of Science and useful Arts," U.S.

CONST., art. 1, § 8, cl. 8, with no distinction among particular sciences and particular arts. Patent-holders and patent applicants should not face different enablement standards depending on their patent's subject matter.

REASON FOR GRANTING THE PETITION

In an Unreviewed Line of Cases, the Federal Circuit Has Held That the Factual Determination of the Enablement Issue Cannot Be Tried By a Jury; Nothing, However, in the Seventh Amendment or Its Jurisprudence Allows Federal Judges To Favor Some Claims for Seventh Amendment Protections But Not Others.

This Court has repeatedly held that "when Congress provides for enforcement of statutory rights in an ordinary civil action in the district courts . . . a jury trial must be available if the action involves rights and remedies of the sort typically enforced in an action at law." *Curtis v. Loether*, 415 U.S. 189, 195 (1974); *see also Pernell v. Southall Realty*, 416 U.S. 363 (1974) (upholding the Seventh Amendment guarantee for a jury trial in an action for the recovery of

property where analogous actions existed at common law). This Court has further held that the Seventh Amendment right to jury is "the right to trial by jury that existed under the English common law when the Amendment was adopted." *Baltimore & Carolina Line, Inc. v. Redman*, 295 U.S. 654, 657 (1935). This historical test requires a court to ask if it is dealing with a cause of action that was either tried at law or analogous to a cause of action that was tried at law. *See, e.g., Tull v. United States*, 481 U.S. 412, 417 (1987).

In *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996), this Court examined legal issues surrounding patent claims in the 18th century and concluded that enablement issues were traditionally decided by juries: "Patent litigation in that early period was typified by so-called novelty actions . . . and [by] 'enablement' cases, in which juries were asked to determine whether the specification described the invention well enough to allow members of the appropriate trade to reproduce it." *Id.* at 379 (citing *Arkwright v. Nightingale*, Dav. Pat. Cas. 37, 60 (C. P.

1785)). Thus, the enablement question is a jury determination preserved by the Seventh Amendment.

Nothing in this Court's Seventh Amendment jurisprudence authorizes a federal court to pick and choose among claims, favoring some with Seventh Amendment protections against others. The notion, reflected by the decision of the court below in this case, that judges can arbitrarily decide when to grant a trial by jury eviscerates the purpose of the Seventh Amendment, which is designed to enhance the role of courts in accomplishing their role in the protection of individual rights by providing a check against biased judges. *See, e.g.,* THE FEDERALIST NO. 83, at 562 (Alexander Hamilton) (J. Cooke ed., 1961) (stating that the right to a trial by jury serves as a check or "barrier to the tyranny of popular magistrates"); *see also* 2 RECORDS OF THE FEDERAL CONVENTION 587 (Max Farrand ed., 1911) (Rep. Gerry urging "the necessity of Juries to guard against corrupt Judges"). Alexander Hamilton further explained how a system of law depends upon the right to a jury trial:

> But it is not with a view to infractions of the Constitution only, that the independence of the judges may be an essential safeguard against the effects of occasional ill humors in the society . . . . Considerate men, of every description, ought to prize whatever will tend to beget or fortify the temper in the courts; as no man can be sure that he may not be to-morrow the victim of a spirit of injustice . . . .

THE FEDERALIST NO. 78, at 488-89 (Alexander Hamilton) (Henry Cabot Lodge ed., 1888).

Empirical evidence supports the conclusion that juries are more protective of intellectual property rights, patent rights, than are judges. Patent holders prevailed in 63 percent of all claims and 68 percent of all suits when the jury was the adjudicator in patent cases between 1983 and 1999. *See* Kimberly A. Moore, *Judges, Juries, and Patent Cases—An Empirical Peek Inside the Black Box*, 99 MICH. L. REV. 365, 386 (2000). In contrast, when judges adjudicated patent cases, patent holders prevailed in only 49 percent of all claims and 51 percent of all suits. *See id.*

In recognition of the importance of the right to a trial by jury in our constitutional system of individual rights and

liberties, federal courts have, thus, broadly construed the reach of the Seventh Amendment. *See, e.g.*, *Chauffeurs, Teamsters & Helpers Local No. 391 v. Terry*, 494 U.S. 558 (1990) (extending the Seventh Amendment right to jury trial to a claim of breach of duty of fair representation by a labor union, a cause of action unknown at the time of the adoption of the Seventh Amendment); *Granfinanciera, S.A. v. Nordberg*, 492 U.S. 33 (1989) (extending the Seventh Amendment right to jury trial to a bankruptcy trustee's suit to recover fraudulent transfer); *Ross v. Bernhard*, 396 U.S. 531, 539 (1970) (extending the Seventh Amendment right to jury trial to a shareholders' derivative suit) ("[U]ntil 1938, the judicial code expressly forbade courts of equity from entertaining any suit for which there was an adequate remedy at law. This provision served 'to guard the right of trial by jury preserved by the Seventh Amendment and to that end it should be liberally construed.'"); *see also Crocker v. Piedmont Aviation, Inc.*, 49 F.3d 735, 749 (D.C. Cir. 1995) ("Given the importance of the constitutional right to a jury

trial, we will require a new trial when that right is erroneously withheld 'except in the rare instances in which denial of a jury demonstrably was harmless error.'") (citing 9 CHARLES ALAN WRIGHT, ARTHUR R. MILLER & EDWARD H. COOPER, FEDERAL PRACTICE AND PROCEDURE § 2322 at 175 (1981)).

Finally, there are no overriding policy reasons for this Court to carve out an exception to the right to a trial by jury in patent cases involving enablement factual determinations. There is no evidence that juries are unable to decide factual issues in patent cases. The Federal Circuit itself affirmed 78 percent of all jury decisions appealed between 1983 and 1999. *See* Moore at 400. Furthermore, some commentators have argued that the right to a trial to jury is so important that even if such questions had to be submitted to specialized or an expert jury, the right should be preserved. *See, e.g.*, Gregory D. Leibold, *In Juries We Do Not Trust: Appellate Review of Patent-Infringement Litigation*, 67 U. COLO. L. REV. 623 (1996); Franklin Strier, *The Educated Jury: A*

Proposal for Complex Litigation, 47 DEPAUL L. REV. 49 (1997).

CONCLUSION

Accordingly, for all the foregoing reasons, *amici curiae* strongly urge this Court to grant the requested Petition for Writ of Certiorari.

Respectfully submitted,

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